

|                          |  |                        |                      |
|--------------------------|--|------------------------|----------------------|
| SERFF Tracking Number:   | STFH-126077305                                 | State:                 | Arkansas             |
| Filing Company:          | State Farm Mutual Automobile Insurance Company | State Tracking Number: | 41849                |
| Company Tracking Number: | 97059 AR                                       |                        |                      |
| TOI:                     | LTC03I Individual Long Term Care               | Sub-TOI:               | LTC03I.001 Qualified |
| Product Name:            | Long-Term Care                                 |                        |                      |
| Project Name/Number:     | 97059 Certification/97059 AR                   |                        |                      |

## Filing at a Glance

Company: State Farm Mutual Automobile Insurance Company

Product Name: Long-Term Care

TOI: LTC03I Individual Long Term Care

Sub-TOI: LTC03I.001 Qualified

Filing Type: Form

SERFF Tr Num: STFH-126077305

SERFF Status: Closed

Co Tr Num: 97059 AR

Co Status:

Authors: Barb Metz, Sandy Barnes

Date Submitted: 03/18/2009

State: ArkansasLH

State Tr Num: 41849

State Status: FEES PAID

Reviewer(s): Marie Bennett

Disposition Date: 03/23/2009

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: 97059 Certification

Project Number: 97059 AR

Requested Filing Mode:

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 03/23/2009

Status of Filing in Domicile:

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Explanation for Other Group Market Type:

State Status Changed: 03/18/2009

Corresponding Filing Tracking Number:

Deemer Date:

Filing Description:

See cover letter.

## Company and Contact

### Filing Contact Information

Barb Metz, Analyst - Legislation/Policy Forms    barb.metz.bfn5@statefarm.com

SERFF Tracking Number:      STFHH-126077305      State:      Arkansas  
Filing Company:      State Farm Mutual Automobile Insurance      State Tracking Number:      41849  
Company  
Company Tracking Number:      97059 AR  
TOI:      LTC03I Individual Long Term Care      Sub-TOI:      LTC03I.001 Qualified  
Product Name:      Long-Term Care  
Project Name/Number:      97059 Certification/97059 AR

1 State Farm Plaza      (309) 766-6544 [Phone]  
Bloomington, IL 61710-0001      (309) 766-8483[FAX]

**Filing Company Information**

|  |                         |                             |
|--|-------------------------|-----------------------------|
| State Farm Mutual Automobile Insurance Company | CoCode: 25178           | State of Domicile: Illinois |
| One State Farm Plaza                           | Group Code:             | Company Type:               |
| Bloomington, IL 61710-0001                     | Group Name:             | State ID Number:            |
| (309) 735-2447 ext. [Phone]                    | FEIN Number: 37-0533100 |                             |
|  | -----                   |                             |

|                          |  |                        |                      |
|--------------------------|--|------------------------|----------------------|
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| Company Tracking Number: | 97059 AR                                       |                        |                      |
| TOI:                     | LTC03I Individual Long Term Care               | Sub-TOI:               | LTC03I.001 Qualified |
| Product Name:            | Long-Term Care                                 |                        |                      |
| Project Name/Number:     | 97059 Certification/97059 AR                   |                        |                      |

## Filing Fees

|                  |                                    |
|------------------|------------------------------------|
| Fee Required?    | Yes                                |
| Fee Amount:      | \$150.00                           |
| Retaliatory?     | Yes                                |
| Fee Explanation: | \$50 per form x 3 forms = \$150.00 |
| Per Company:     | No                                 |

| COMPANY  | AMOUNT   | DATE PROCESSED | TRANSACTION # |
|--|----------|----------------|---------------|
| State Farm Mutual Automobile Insurance Company | \$150.00 | 03/18/2009     | 26493527      |

|                          |  |                        |                      |
|--------------------------|--|------------------------|----------------------|
| SERFF Tracking Number:   | STFH-126077305                                 | State:                 | Arkansas             |
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| Company Tracking Number: | 97059 AR                                       |                        |                      |
| TOI:                     | LTC03I Individual Long Term Care               | Sub-TOI:               | LTC03I.001 Qualified |
| Product Name:            | Long-Term Care                                 |                        |                      |
| Project Name/Number:     | 97059 Certification/97059 AR                   |                        |                      |

## Correspondence Summary

### Dispositions

| Status          | Created By    | Created On | Date Submitted |
|-----------------|---------------|------------|----------------|
| Approved-Closed | Marie Bennett | 03/23/2009 | 03/23/2009     |

|                                 |   |                               |                             |
|---------------------------------|---|-------------------------------|-----------------------------|
| <i>SERFF Tracking Number:</i>   | <i>STFH-126077305</i>                                 | <i>State:</i>                 | <i>Arkansas</i>             |
| <i>Filing Company:</i>          | <i>State Farm Mutual Automobile Insurance Company</i> | <i>State Tracking Number:</i> | <i>41849</i>                |
| <i>Company Tracking Number:</i> | <i>97059 AR</i>                                       |                               |                             |
| <i>TOI:</i>                     | <i>LTC03I Individual Long Term Care</i>               | <i>Sub-TOI:</i>               | <i>LTC03I.001 Qualified</i> |
| <i>Product Name:</i>            | <i>Long-Term Care</i>                                 |                               |                             |
| <i>Project Name/Number:</i>     | <i>97059 Certification/97059 AR</i>                   |                               |                             |

## Disposition

Disposition Date: 03/23/2009

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

|                          |  |                        |                      |
|--------------------------|--|------------------------|----------------------|
| SERFF Tracking Number:   | STFH-126077305                                 | State:                 | Arkansas             |
| Filing Company:          | State Farm Mutual Automobile Insurance Company | State Tracking Number: | 41849                |
| Company Tracking Number: | 97059 AR                                       |                        |                      |
| TOI:                     | LTC03I Individual Long Term Care               | Sub-TOI:               | LTC03I.001 Qualified |
| Product Name:            | Long-Term Care                                 |                        |                      |
| Project Name/Number:     | 97059 Certification/97059 AR                   |                        |                      |

| Item Type           | Item Name                        | Item Status | Public Access |
|---------------------|----------------------------------|-------------|---------------|
| Supporting Document | Flesch Certification             |             | Yes           |
| Supporting Document | Application                      |             | Yes           |
| Supporting Document | Health - Actuarial Justification |             | Yes           |
| Supporting Document | Outline of Coverage              |             | Yes           |
| Supporting Document | Cover Letter                     |             | Yes           |
| Supporting Document | Certification Form               |             | Yes           |
| Form                | Amendment Rider                  |             | Yes           |
| Form                | Partnership Disclosure Notice    |             | Yes           |

|                          |  |                        |                      |
|--------------------------|--|------------------------|----------------------|
| SERFF Tracking Number:   | STFH-126077305                                 | State:                 | Arkansas             |
| Filing Company:          | State Farm Mutual Automobile Insurance Company | State Tracking Number: | 41849                |
| Company Tracking Number: | 97059 AR                                       |                        |                      |
| TOI:                     | LTC03I Individual Long Term Care               | Sub-TOI:               | LTC03I.001 Qualified |
| Product Name:            | Long-Term Care                                 |                        |                      |
| Project Name/Number:     | 97059 Certification/97059 AR                   |                        |                      |

## Form Schedule

**Lead Form Number:** 97059 AR

| Review Status | Form Number | Form Type | Form Name   | Action  | Action Specific Data | Readability | Attachment                     |
|---------------|-------------|-----------|---|---------|----------------------|-------------|--------------------------------|
|               | 99702       |           | Policy/Cont ract/Fratern al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial |                      | 54          | Amendment Rider 99702.PDF      |
|               | 137603      | Other     | Partnership Disclosure Notice   | Initial |                      | 0           | Important Notice 137603-AR.pdf |

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## AMENDMENT RIDER

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Anything to the contrary notwithstanding, this policy and attached riders, if any, is amended in the following respects:

The EXCLUSIONS AND LIMITATIONS section of Your policy has been amended by removing exclusion #9 in its entirety.

The PREMIUM PAYMENT AND REINSTATEMENT OF YOUR POLICY section of Your policy has been amended to read as follows:

### **Unintentional Lapse Protection**

You have the right to designate an individual in addition to Yourself to receive notification when Your policy will terminate because of nonpayment of premium.

We will notify the person You designate at least 30 days before the scheduled termination date of the policy, but not earlier than 30 days after the premium due date. The notice will be given by first class United States mail, postage prepaid. Notice will be deemed to have been given as of five (5) days after the date of mailing. On every renewal of Your policy, You will be given the right to change the designated person.

The CONTRACT section of Your policy has been amended to include the following provision:

### **Your Right to Reduce Coverage and Lower Premiums**

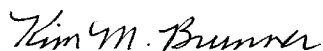
You have the right to reduce coverage and lower the policy premium at any time. The following options may be available depending on Your current policy benefits:

1. Decrease the daily benefit; or
2. Increase the Elimination Period; or
3. Decrease the maximum benefit factor; or
4. Removal of the optionally purchased Nonforfeiture Benefit/Shortened Benefit Rider, if purchased.


Contact Your agent to determine which of these options best suits Your financial needs. The age to determine the premium for the reduced coverage will be based on Your age when this policy was issued.

This rider shall become effective on the date specified in the Policy Schedule and shall terminate concurrently with the policy to which it is attached.

Issued by the STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY, of Bloomington, Illinois.



Secretary



President





**State Farm Mutual Automobile Insurance Company**  
Home Office, Bloomington, Illinois 61710  
(309) 766-2311

## **Important Information Regarding Your Policy's Long-Term Care Insurance Partnership Status**

This disclosure notice is issued in conjunction with your long-term care policy:

Some long-term care insurance policies sold in Arkansas qualify for the Arkansas Long-Term Care Insurance Partnership Program. Insurance Companies voluntarily agree to participate in the Partnership Program by offering long-term care insurance coverage that meets certain State and Federal requirements. Long-term care insurance policies that qualify as Partnership Policies may be entitled to special treatment, and in particular an "Asset Disregard," under Arkansas's Medicaid program.

**Asset Disregard** means that an amount of the policyholder's assets equal to the amount of long-term care insurance benefits received under a qualified Partnership Policy will be disregarded for the purpose of determining the insured's eligibility for Medicaid. This generally allows a person to keep assets equal to the insurance benefits received under a qualified Partnership Policy without affecting the person's eligibility for Medicaid. All other Medicaid eligibility criteria will apply. Asset Disregard is not available under a long-term care insurance policy that is not a Partnership Policy. **The purchase of a Partnership Policy does not automatically qualify you for Medicaid.**

**Partnership Policy Status.** Your long-term care insurance policy is intended to qualify as a Partnership Policy under the Arkansas Long-Term Care Partnership Program as of your Policy's effective date.

**What Could Disqualify Your Policy as a Partnership Policy?** If you make any changes to your policy, such changes could affect whether your policy continues to be a Partnership Policy. **Before you make any changes, you should consult with State Farm Mutual Automobile Insurance Company to determine the effect of a proposed change.** In addition, if you move to a State that does not maintain a Partnership Program or does not recognize your policy as a Partnership Policy, you would not receive beneficial treatment of your policy under the Medicaid program of that State. The information contained in this Notice is based on current State and Federal laws. These laws may be subject to change. Any change in law could reduce or eliminate the beneficial treatment of your policy under Arkansas's Medicaid program.

**Additional Information.** If you have questions regarding your insurance policy, please contact State Farm Mutual Automobile Insurance Company. If you have questions regarding current laws governing Medicaid eligibility, you should contact the Arkansas Department of Human Services.

**All benefit statements received should be kept with your policy.**

|                                 |   |                               |                             |
|---------------------------------|---|-------------------------------|-----------------------------|
| <i>SERFF Tracking Number:</i>   | <i>STFH-126077305</i>                         | <i>State:</i>                 | <i>Arkansas</i>             |
| <i>Filing Company:</i>          | <i>State Farm Mutual Automobile Insurance</i> | <i>State Tracking Number:</i> | <i>41849</i>                |
|                                 | <i>Company</i>                                |                               |                             |
| <i>Company Tracking Number:</i> | <i>97059 AR</i>                               |                               |                             |
| <i>TOI:</i>                     | <i>LTC03I Individual Long Term Care</i>       | <i>Sub-TOI:</i>               | <i>LTC03I.001 Qualified</i> |
| <i>Product Name:</i>            | <i>Long-Term Care</i>                         |                               |                             |
| <i>Project Name/Number:</i>     | <i>97059 Certification/97059 AR</i>           |                               |                             |

## **Rate Information**

Rate data does NOT apply to filing.

|                          |  |                        |                      |
|--------------------------|--|------------------------|----------------------|
| SERFF Tracking Number:   | STFH-126077305                                 | State:                 | Arkansas             |
| Filing Company:          | State Farm Mutual Automobile Insurance Company | State Tracking Number: | 41849                |
| Company Tracking Number: | 97059 AR                                       |                        |                      |
| TOI:                     | LTC03I Individual Long Term Care               | Sub-TOI:               | LTC03I.001 Qualified |
| Product Name:            | Long-Term Care                                 |                        |                      |
| Project Name/Number:     | 97059 Certification/97059 AR                   |                        |                      |

## Supporting Document Schedules

|                         |  |            |
|-------------------------|--|------------|
|                         | <b>Review Status:</b>                  |            |
| <b>Satisfied -Name:</b> | Flesch Certification                   | 03/17/2009 |
| <b>Comments:</b>        | Readability for Amendment Rider 99702. |            |
| <b>Attachment:</b>      | Readability Certification 001.pdf      |            |

|                        |                                |            |
|------------------------|--------------------------------|------------|
|                        | <b>Review Status:</b>          |            |
| <b>Bypassed -Name:</b> | Application                    | 03/17/2009 |
| <b>Bypass Reason:</b>  | Does not apply to this filing. |            |
| <b>Comments:</b>       |                                |            |

|                        |                                  |            |
|------------------------|----------------------------------|------------|
|                        | <b>Review Status:</b>            |            |
| <b>Bypassed -Name:</b> | Health - Actuarial Justification | 03/17/2009 |
| <b>Bypass Reason:</b>  | Does not apply to this filing.   |            |
| <b>Comments:</b>       |                                  |            |

|                        |                                |            |
|------------------------|--------------------------------|------------|
|                        | <b>Review Status:</b>          |            |
| <b>Bypassed -Name:</b> | Outline of Coverage            | 03/17/2009 |
| <b>Bypass Reason:</b>  | Does not apply to this filing. |            |
| <b>Comments:</b>       |                                |            |

|                         |                       |            |
|-------------------------|-----------------------|------------|
|                         | <b>Review Status:</b> |            |
| <b>Satisfied -Name:</b> | Cover Letter          | 03/17/2009 |
| <b>Comments:</b>        |                       |            |
| <b>Attachment:</b>      | Cover Letter.pdf      |            |

|                         |                       |            |
|-------------------------|-----------------------|------------|
|                         | <b>Review Status:</b> |            |
| <b>Satisfied -Name:</b> | Certification Form    | 03/17/2009 |
| <b>Comments:</b>        |                       |            |

|                                 |   |                               |                             |
|---------------------------------|---|-------------------------------|-----------------------------|
| <i>SERFF Tracking Number:</i>   | <i>STFH-126077305</i>                         | <i>State:</i>                 | <i>Arkansas</i>             |
| <i>Filing Company:</i>          | <i>State Farm Mutual Automobile Insurance</i> | <i>State Tracking Number:</i> | <i>41849</i>                |
|                                 | <i>Company</i>                                |                               |                             |
| <i>Company Tracking Number:</i> | <i>97059 AR</i>                               |                               |                             |
| <i>TOI:</i>                     | <i>LTC03I Individual Long Term Care</i>       | <i>Sub-TOI:</i>               | <i>LTC03I.001 Qualified</i> |
| <i>Product Name:</i>            | <i>Long-Term Care</i>                         |                               |                             |
| <i>Project Name/Number:</i>     | <i>97059 Certification/97059 AR</i>           |                               |                             |

**Attachment:**

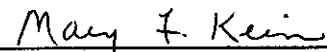
AR LTC Certification Form 001.pdf



## **READABILITY SCORE AND CERTIFICATION**

**The Flesch reading ease test score for Amendment Rider 99702 is 53.7.**

**This meets the minimum reading east test score required in this state.**



**Mary F. Keim**  
**Assistant Secretary/Treasure**

**State Farm Mutual Automobile  
Insurance Company**

Home Office, Bloomington, Illinois 61710



March 17, 2009

Jay Bradford  
Commissioner of Insurance  
Arkansas Department of Insurance  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

Re: NAIC # 176-25178  
Individual Accident & Health  
LTC Partnership Certification Form  
Amendment Rider Form 99702  
Partnership Disclosure Notice Form 137603

Dear Commissioner:

Enclosed for filing on behalf of the State Farm Mutual Automobile Insurance Company of Bloomington, Illinois are the referenced forms.

We are submitting the Long-Term Care Partnership Certification stating our 97059 AR Long-Term Care Policy, approved September 19, 2006 is Partnership compliant. The following forms were previously approved for use with the 97059 AR Long-Term Care Policy:

- Simple Automatic Increase Benefit Rider Form 99589
- Compound Automatic Increase Benefit Rider Form 99590
- Nonforfeiture Benefit/Shortened Benefit Rider Form 99591
- Amendment Rider 99571.1 (contingent nonforfeiture rider)

The 97059 AR policy is no longer being marketed. In order to certify compliance we have determined that the following amendment rider is necessary.

Amendment Rider Form 99702

Amendment Rider Form 99702 has been created to add/amend policy language for the following items:

- Amended the Unintentional Lapse provision.
- Added a provision called Your Right to Reduce Coverage and Lower Premiums.

State Farm Mutual Automobile Insurance Company  
Bloomington, Illinois 61710

Jay Bradford  
Page 2  
March 17, 2009

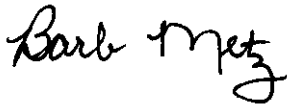
Partnership Disclosure Notice Form 137603

The Partnership Disclosure Notice Form 137603 has been created to comply with Arkansas' Rule 94. This notice will be sent to those individual with a 97059 AR Long-Term Care Insurance policy issued after January 1, 2008 whose age and inflation coverage meet the following partnership guidelines:

- Insureds age 30 and older that have the 97059 AR policy + Compound Inflation Rider (99590)
- Insureds age 61 and older that have the 97059 AR policy + Simple Inflation Rider (99589 )
- Insureds age 76 and older that have the 97059 AR (no inflation coverage)

If you have any questions, please let us know.

Sincerely,

A handwritten signature in black ink that reads "Barb Metz". The signature is written in a cursive, flowing style.

Barb Metz  
Analyst – Health Contracts and Compliance  
(309) 766-6544  
FAX (309) 766-8483  
Email – Barb.Metz.bfn5@statefarm.com

**APPENDIX C**  
**ISSUER CERTIFICATION FORM**  
(relating to Qualified State Long-Term Care Insurance Partnership)

In order to provide the Insurance Commissioner with information necessary to provide a certification for policies, this Issuer Certification Form requires information and a certification from issuers of long-term care insurance policies with respect to policy forms that may be covered under the Qualified Partnership of the State.

An insurance company may request certification of policies from time to time and, accordingly, may supplement this issuer certification form, e.g., as it introduces new long-term care insurance policy forms for issuance.

**I. GENERAL INFORMATION**

**A. Name, address and telephone number of issuer:**

State Farm Mutual Automobile Insurance Company  
One State Farm Plaza  
Bloomington, IL 61710-0001

**B. Name, address, telephone number, and email address (if available) of an employee of issuer who will be the contact person for information relating to this form:**

Barb Metz Barb.Metz.bfn5@statefarm.com  
One State Farm Plaza - B2 309-766-6544  
Bloomington, IL 61710-0001

**C. Policy form number(s) (or other identifying information, such as certificate series) for policies covered by this Issuer Certification Form (expand the space below as required):**

97069 A.R.

Specimen copies of each of the above policy forms, including any riders and endorsements, shall be provided upon request.

**II. CERTIFICATIONS**

- A. I hereby certify that the policy forms listed above are in compliance with Rule 13 and Rule 94 and all other Arkansas statutes and rules regarding long-term care insurance.
- B. I hereby certify to the best of my knowledge and belief that all producers who sell, solicit or negotiate long-term care insurance products on {insert issuer name's} behalf have received the training required for Partnership policies and that they demonstrate an understanding of the policies and their relationship to public and private long-term care coverage.
- C. I hereby certify that the answers, accompanying documents, and other information set forth herein are, to the best of my knowledge and belief, true, correct, and complete.

3.13.09  
Date

MARY F. KEIM Asst Secretary /Treasure  
Name and title of officer of the Issuer

Mary F Keim  
Signature of officer of the Issuer